

Message Text

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PAGE 01 JAKART 07508 080910Z
ACTION XMB-04

INFO OCT-01 EA-07 ISO-00 EB-07 COME-00 AID-05 TRSE-00
/024 W

-----080929Z 111610 /14

R 080808Z JUN 77
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 1606

LIMITED OFFICIAL USE JAKARTA 07508

DEPT PASS EXIM BANK

E.O. 11652: N/A
TAGS: ETRD, EFIN, ID
SUBJECT: AIRPORT RESCUE AND FIRE FIGHTING EQUIPMENT FINANCING

REF : JAKARTA 3593

1. ALL BIDDERS ON SUBJECT TENDER WERE INFORMED MAY 12 THAT GOI WOULD NOT ACCEPT ANY OF THE PROPOSALS SUBMITTED BUT THAT PROJECT WOULD BE RE-TENDERED SHORTLY. LOCAL REPS OF WELLS FARGO AND MARINE MIDLAND BANKS AS WELL AS LOCAL REP OF US BIDDER (LAFRANCE EXPORT SALES CORP.) INFORM US THAT EXIMBANK WILL CONSIDER IMPROVED FINANCING OFFER IF IT CAN BE ESTABLISHED THAT FINANCE PACKAGES OF FOREIGN COMPETITORS ARE SUPERIOR TO EXIM'S.
2. OBVIOUSLY, OBTAINING OFFICIAL PROOF OF TERMS AND CONDITIONS CONTAINED IN COMPETITIVE BIDS IS EXTREMELY DIFFICULT IF NOT IMPOSSIBLE. NOTWITHSTANDING THE FACT THAT "BOOTLEGGED" COPIES OF ACTUAL BIDS ARE OBTAINABLE HERE IN JAKARTA, GOI OFFICIALS WILL NOT OFFICIALLY CONFIRM INFORMATION THESE COPIES CONTAIN.

3. WELLS FARGO AND MARINE MIDLAND REPS HAVE ASKED
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MINISTRY OF FINANCE OFFICIALS TO CONFIRM BY TELEX TO EXIM TERMS AND CONDITIONS OF JAPANESE PROPOSAL. MINFIN REPORTEDLY HAS REQUEST UNDER CONSIDERATION AND, NOW THAT ALL BIDS HAVE BEEN REJECTED AND PROJECT UP FOR RE-TENDER, PERHAPS REQUEST WILL BE FULFILLED. (WE HAD TRIED UNSUCCESSFULLY EARLIER TO GET SUCH CONFIRMATION WHILE TENDER STILL BEING EVALUATED.)

4. MEANWHILE, HOWEVER, GOI SOURCE HAS VERBALLY CONFIRMED TO EMBOFF THAT JAPANESE PROPOSAL WAS FOR A SEVEN-YEAR LOAN AT 7.5 PERCENT INTEREST.HIS RECOLLECTION NOT COMPLETE BUT HE THOUGHT OFFER WAS FOR 85 PERCENT FINANCING WITH ONE-YEAR GRACE PERIOD. WE HAVE ALWAYS FOUND SOURCE TO BE RELIABLE IN PAST AND HAVE NO REASON TO QUESTION HIS VERACITY IN PRESENT INSTANCE. THIS MAY BE AS CLOSE AS WE WILL BE ABLE TO COME TO CONFIRMING CONTENTS OF JAPANESE PROPOSAL.

5. WE HOPE ABOVE WILL BE SUFFICIENT BASIS FOR EXIM TO RECONSIDER IT SOWN FINANCING PROPOSAL FOR SUBJECT PROJECT.
NEWSOM

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EQUIPMENT, PROPOSALS (BID), FINANCIAL AGREEMENTS, AIRPORTS, FIRES
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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ISecure: 1
Legacy Key: link1977/newtext/t19770679/aaaacrjy.tel
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Litigation History:
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Message ID: 4b92a182-c288-dd11-92da-001cc4696bcc
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SAS ID: 2233089
Secure: OPEN
Status: NATIVE
Subject: AIRPORT RESCUE AND FIRE FIGHTING EQUIPMENT FINANCING
TAGS: ETRD, EFIN, BPRO, EAIR, ID
To: STATE
Type: TE
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